JODEY C. ARRINGTON 19TH DISTRICT, TEXAS

1107 LONGWORTH HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-4005
FAX: (202) 225-9615

ABILENE OFFICE 500 CHESTNUT STREET, SUITE 819 ABILENE, TX 79602 (325) 675-9779 FAX: (325) 675-5038

LUBBOCK OFFICE 1312 TEXAS AVENUE, SUITE 219 LUBBOCK, TX 79401 (806) 763–1611 FAX: (806) 767–9168

Congress of the United States

House of Representatives Washington, DC 20515-4319

November 21, 2022

COMMITTEE ON WAYS AND MEANS SUBCOMMITTEES:
SELECT REVENUE

SOCIAL SECURITY

TRADE

JOINT ECONOMIC

The Honorable Katherine Tai United States Trade Representative 600 17th Street NW Washington, DC 20508

Dear Ambassador Tai:

We write to urge the Administration to prioritize U.S. energy exports in ongoing trade negotiations with Taiwan. As the *U.S.-Taiwan Initiative on 21st-Century Trade* moves forward, it would be a travesty to exclude energy exports, especially liquified natural gas (LNG), from the Initiative. Strengthened energy cooperation with Taiwan could unlock new opportunities for American energy workers and businesses, while further diversifying Taiwan's energy links to ensure it is not at the mercy of adversarial regimes or regions that export significant amounts of LNG to Taiwan, such as the Middle East, which could be impacted by regional instability or the malign influence of China. Furthermore, while the Initiative is a step in the right direction, it does not replace the significance of initiating free trade agreement negotiations with Taiwan, which would serve important economic and geostrategic goals.

As you know, American natural gas leads the world in safety and sustainability, and it can play an important role in meeting Taiwan's long-term energy needs and environmental stewardship targets. We were disappointed that energy trade was omitted entirely from the negotiating mandate for the *U.S.-Taiwan Initiative on 21st-Century Trade*. We urge the Administration to add energy security and trade as a key U.S. priority.

It is in the United States' strategic economic and security interests to ensure Taiwan has access to reliable and affordable energy imports. Taiwan plays a key role in global supply chains as the world's leader in advanced semiconductor production. Semiconductors power everyday devices like cell phones, computers, and vehicles, and the most advanced semiconductors are critical components in a wide range of national security applications such as weapons and aircraft. Taiwan's economy and manufacturers are highly dependent on energy imports to meet substantial global demand for the most advanced chips, making its energy infrastructure vulnerable to electric grid instability and supply chain disruptions. Action by the People's Republic of China to exert further economic or military aggression on the island and disrupt energy trade critical to Taiwan's manufacturing capabilities would have global repercussions. It is imperative that the U.S. help secure global supply chains by providing reliable

¹ https://ustr.gov/sites/default/files/2022-08/US-Taiwan%20Negotiating%20Mandate%20(Final).pdf

energy to Taiwan through the form of long-term and spot market LNG contracts.

Global energy demand is expected to increase by 50 percent by 2050², and U.S. producers are more than capable of supplying our allies with America's abundant energy resources, fostering stability abroad while creating high-paying jobs and supporting environmental goals here at home. We look forward to working closely with you and the leadership of Taiwan as you assess U.S. negotiating positions in the U.S.-Taiwan Initiative on 21st-Century Trade and beyond. Thank you for your consideration of these requests.

Cc: The Honorable Jennifer Granholm Secretary, U.S. Department of Energy

> The Honorable Richard Glick Chairman, Federal Energy Regulatory Commission

> > Sincerely,

Jodey C. Arrington

Member of Congress

² https://www.iea.org/reports/world-energy-outlook-2022

John R. Curtis

Member of Congress

Chip Roy O Member of Congress

Young Kim Member of Congress

Tom Tiffany
Member of Congress

Steve Chabot Member of Congress

Marianne Miller-Meeks, M.D.

Member of Congress

Beth Van Duyne Member of Congress

Dan Mueser Member of Congress

Van Taylor
Member of Congress

Lance Gooden
Member of Congress

Member of Congress

Glen Grothman Member of Congress Kon DesJarlais Member of Congress

Brian Mast Member of Congress

Michael Guest Member of Congress

Nicole/Malliotakis Member of Congress Donald J. Bacon Member of Congress

Chuck Fleischman Member of Congress

Pete Sessions

Member of Congress